### OFFICIAL TRANSCRIPT OF THE

#### MARYLAND DEPARTMENT OF TRANSPORTATION

#### MARYLAND TRANSIT ADMINISTRATION

PRE-BID MEETING

FOR

MARC III KAWASAKI (63) OVERHAUL

CONTRACT NO. T-8000-0399

April 17, 2013

9:00 A.M.

MARC Martins Maintenance Facility 2700 Eastern Boulevard Middle River, Maryland 21220

# Agency:

Heidi Tarleton, MTA Procurement
Caitlin Howard, MTA Procurement
Brenda Hayes, MTA Purchasing
Paula Cullings, Office of Fair Practices
Warren Squirewell, Office of Fair Practices
Patrick Albright, Office of Engineering
Brian Ruch, MARC Train Station
Rex Springston, MARC and Commuter Bus Operations
Charles Gamble, MTA Consultant, Safety
Balajirao Krishmamurthy, MTA Consultant
Erich Kolig, MTA Consultant

### Participants:

Terry Soesbee, Rail Plan
Mark Kaidy, Faiveley Transportation
Lena Walsh, RL Controls, LLC
Bill Hennigan, RL Controls, LLC
David Lukach, Sedia, Inc.
Rick Komm, Kustom Seating
Justin Bulpitt, Alstom Transportation
Tom Robinson, Barry Controls
Mike Harvey, Alstom Transportation
Ken Luptak, Alstom Transportation
Jim Miller, Alstom Transportation

Brice Godreul, Barry Controls
Tom Martin, Bombardier
Suzane Poulin, Bombardier
Brian Block, Bombardier
William Saddler, WABTEC
William Slater, WABTEC
Eric Garzon, ISC Applied Systems
Jim Silk, Schunk Graphite
Ted Claghorn, Royersford Spring
Maurice Andriani, Kawasaki Rail Car, Inc.
John Calvello, Kawasaki Rail Car, Inc.

Court Reporter:
Kenneth Smith
One Stop Legal
5623 Monroe Street
Hyattsville, MD 20784
(301) 379-6607

MR. ALBRIGHT: I'm going to turn this over to Heidi Tarleton, our Procurement Officer.

MS. TARLETON: I just want to say good morning to everyone. Thank you for coming. You are here for the pre-bid conference for the MARC III Kawasaki Coaches Overhaul, Bid number T-8000-0399. Before I even go into any further introductions, please make sure that you sign in at the sign-in sheets at the end of each table. And we want to give a safety presentation first before we begin. Thank you.

MR. RUCH: For the Health and Public Safety Briefing,
I'm Brian Ruch, Manager working here at the MARC Martin's
Facility. In case we have an emergency and we need to evacuate,
we'll use this door right out here. We'll make the left and
we'll meet at the guardhouse. Okay?

Rex will take a count. I will call 9-1-1. If there is a medical emergency and we need a first responder, I would suggest that if you have any kind of medical issue, you can do one of two things; either tell your buddy next to you or let them know or you write it on a little piece of paper and put it in your front pocket. It's very important for a first responder to know your blood levels. Okay?

We have fire extinguishers located throughout the building. There's a first aid kit at the end of the green mile on the right-hand side. And actually, Melanie has the first aid stuff in there also. Restrooms are also all the way down at the

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	MTA PRE-BID MEETING - CONTRACT NO. T-8000-0399 5
1	So that would be me. Contact with any other division or
2	personnel with this agency about this RFP could result in your
3	firm being disqualified from further consideration for this
4	contract award. Only responses received from the Procurement
5	Officer are the official position of this agency. Okay?
6	If it becomes necessary to revise any part of this
7	bid, or if additional information is necessary to enable the
8	bidder to make an adequate interpretation of the provisions of
9	this bid, an addendum of the bid will be issued and posted on
10	eMaryland Marketplace and the MTA procurement website.
11	Each of you should already have a copy of the bids for
12	these services. I will now briefly highlight some of the
13	contractual-related and administrative information contained in
14	this bid, then I will turn the meeting over to the MARC staff to
15	discuss any highlights of the Scope of Work, followed by the
16	question and answer segment.
17	We will also be looking at three cars three types
18	of cars: the cars, the cab and a trailer or I'm sorry
19	three cars: the cab, the trailer, and the MARC III VRE style
20	this morning, following the questions. Okay?
21	The contractor the Scope just the summary of the
22	Scope of Work and then Patrick Albright will get into a little
23	bit more detail of the Scope.
24	The contract will provide the overhaul of (63) MARC
25	Kawasaki, multi-level coaches. Systems to be overhauled will

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Okay, the formal and complete overhauf specified
systems, subsystems and components, including engineering
interface with new equipment and replacement of obsolete
components. Unless otherwise noted, this shall include the
provisions of all renewal or replacement components,
consumables, disposables, and standard hardware by the
contractor, as necessary, to complete the overhaul; performing
detailed design for new and upgraded equipment, engineering,
manufacturing and testing of the MARC III Coaches; validating
that the overhaul of MARC III coaches are able to operate at
normal revenue service, containing overhauled and non-overhauled
MARC III coaches, and to be compatible in all respects with
existing non-overhauled vehicles in the MARC fleet, unless
otherwise noted.

Transporting the MARC III Coaches to the contractor's facility and returning them to the administration's property; providing technical data, software samples, mock-ups, renew and upgraded items as required; performing qualification and acceptance testing; providing training programs to the MARC operations and maintenance staff and the usage of maintenance of all new and upgraded systems; executing the preparation and configuration control of as-built drawings, material process specifications and all other engineering, design, and manufacturing information required to present the final as-built design of the work as developed and approved; performing MARC

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Please visit the MDOT website to access its electronic DBE directory for the complete listings of certified firms at www.mdot.state.maryland.gov. If you are notified that you are the apparent awardee or as requested by the Procurement Officer,

you must submit an MDOT DBE Forms C and D within ten (10) business days of receiving such notice.

Form C is an Outreach Effort of Compliance Statement and Form D is a Subcontract Project Participation Statement. It is mandatory that you obtain signatures on Form D from the participating DBE firms that are listed on Form B. It is mandatory that you obtain signatures. I must emphasize it's mandatory that you must have signatures from the prime and the subcontractors, your agreement.

The Sixty-percent (60%) rule -- Supply rule. When calculating your goal, there is 60 percent (60%) rule for supply items. You may count your entire expenditures to a certified business supplier that manufacturers or produces goods from raw materials or that substantially alters goods before resale. However, you may only count 60 percent (60%) of the expenditures to certified suppliers who are not manufacturers.

Let me give you an example of that. If you spend \$2,500 on chemicals to clean the surface of the building, in your calculation of the credit for 60 percent, 25 percent of \$2,500 is 1500 -- excuse me -- 60 percent of \$2,500 is \$1,500, which would be the amount counted toward your DBE participation goal. Additionally, the DBE certified suppliers may not exceed 60 percent (60%) of the entire contract goal.

Requiring a DBE waiver. If you believe that your firm cannot achieve, establish an overall goal, you have the right to

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circulate them. In your packet, your forms are -- they look like this, for those who have not bid with us. When we tell you to sign Form A, it's a two-pager, you will check off that you will do the nine percent (9%), or you're going to tell us something different. The failure to sign page 2 will throw it

out. So it's very important that that's done. This will 2 circulate so you can see what we're talking about.

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Form B gives you all of the instructions. need that. Tear it off. Keep it for yourself. But what we need you to send back is who you are utilizing, what is their certification number and what percentage of the business are you preparing for them. And these are the two items that must come with your bid. Now, this is a worksheet. We don't need that. That's for your purposes.

What I really want to talk about are a couple of things that may or may not be in the contract solicitation documents but will become an addendum. There's a Prompt Payment Statement that must be adhered to. And there's also a factor that you cannot terminate a DBE subcontractor for cause -- I'm sorry, for convenience.

Our solicitation to you says we can terminate your contract for convenience. Your subcontracting agreement with your DBE said you can only terminate for cause. That cause would have to come through MTA, to our office, to determine whether anything can be cured. So this statement will come out It's relatively new and it may not have made the solicitation in time. So it will come back to you as an addendum.

You are encouraged to utilize DBE financial institutions if you care. The directory is MDOT. That's the only location you can find a certified DBE for this
solicitation. When you look in that directory you're going to
see "MBE/DBE." That means that particular firm is -- the slash

means that they're certified both as an MBE and a DBE.

Now DBE is strictly about federal dollars. So we must adhere to DBE participation. You might find firms that are only DBE -- that's fine -- and firms who are MDBE. That's fine as well. But if there's a company that says they are only an MBE, you cannot use them on this particular solicitation.

Reporting. The low responsible awardee bidder shall report monthly what you spend with the subcontractors, and in turn, the subcontractors are also required to report, monthly, what they have received. You will look in the directory and you will find companies that may have the letter "G" in front of a NAIC code. That NAIC code says this is their industry; this is what they do. But the G indicates that they have graduated. If they've graduated, then you would not be able to use them for that particular NAIC code.

You must use the firm for commercial useful function. In the directory, it is listed what that firm is certified to do. They will desire to do anything you would have them do, but that's not acceptable. So therefore, you know, be sure that you're utilizing them for what they're certified for. They may tell you other things, but if they have not gone back to the directory and updated their profile, you'll liable for certainly

1 just that, that they're certified.

You must have an agreement. When you decide on your firms, you've signed Form D; they sign Form D. Before you start work, my office needs to receive an executed agreement where you're actually telling the subcontractor, this is what I want you to do; this is how I need it to be done; here's your penalties; this is how the invoices shall be, and so on.

Because if you have a problem and would like to change vendors, which we don't endorse easily, I'm going to be looking at the agreement to see whether or not they have violated anything or can something cure from the situation that may have happened.

The program is a very serious program. Is anyone here today a certified DBE firm? All right. If you shall bid as a prime, you will not be required to do nine percent (9%). Given the fact that you're using your own forces to do a certain percentage of the business that is excessive of nine percent (9%) -- do you have a clause that the bidders shall do 25 -- 50 percent of the work with their own forces or not? Maybe not. Okay.

So in that case, you would have to show what you're doing that's in excess of nine percent (9%). You would still complete the DBE form. If you were bidding as a prime, you would identify yourself and how much of this business are you doing, exactly what it is that you're certified to do. By the same token, you can avail yourself to everyone else at the same

time as a subcontractor. Certainly, we don't endorse any form of collusion, but whatever is available to others that would not jeopardize your own prime bidding if that's what you were going to do.

DBEs who happen to bid as a prime are not required to do DBE participation because the Federal Government counts their involvement. That is not this case with the state. So, you know, in case you bid us both ways, you're probably wondering why not, but the State has a different program. So that's what's required for DBEs.

I think I've covered everything that may not have come clear through the earlier talk, but just make sure you're using a directory from MDOT. If a person is not certified today, they will not be certified in time for the solicitation. We do not take pending certifications where someone's application is in the hopper, but they're just pending. So you need to work with the 6,000 certified firms that are listed all over the world. They're certified from everywhere. They may provide a good, a service or whatever the case might be.

Be as creative as you can for nine percent (9%), given what I know you're up against doing. It may or may not be easy. I'm sure it's very challenging, but nevertheless, we have located a number of firms that are in the directory that can do some of the things that were thought to be segmental, things that you would normally subcontract to anyone else.

Your message was to also contact the Procurement office in writing for any questions. One exception is that if you're working on your DBE plan that's personal to you, you may call us if we can help you. If you're struggling or you're trying to understand if you're doing what you need to do properly, you can call us directly for that business only.

We will not be having any discussions on the technical aspect of the solicitation, but perhaps you're trying to be very clear. Because we want you to be successful. We don't want people to be thrown out because you failed to do something with the DBE forms. So that being the case, we're located at 6 St. Paul. The main number is (410) 767-3944. You can ask for Warren or myself, or any staff person that could give you some technical help with your DBE forms only.

If it's a technical question with the directory and you're not able to manipulate it, you need to call MDOT or if someone tells you I'm certified, and you can't find them, you need to call MDOT. That number would be (410) 865-1269. Anyone that answers can help you if you're having some navigation problems or there's something written about their profile that you're not clear of. Only MDOT can discuss that or be of some help to you.

So if we can help you with a waiver, if that's a problem, something's happening out there, a firm you're not sure about how you're calculating -- because your math is important.

	MTA PRE-BID MEETING - CONTRACT NO. T-8000-0399 17
1	If we find a math error, you don't get to correct it. Just the
2	same math error you would be given if you were putting that on
3	your solicitation. We're not going to correct it and then award
4	you.
5	So please take the DBE program very serious. We do.
6	Our Governor do. And so therefore, we're here to help you, not
7	hinder you. It sounds like an awful lot, but once you go
8	through the forms you'll see that it's a relatively smooth
9	process.
10	Good luck to everyone and feel free to call us if we
11	can be of some help.
12	MS. TARLETON: Thank you, Paula. I want to move to
13	the question segment of our presentation. But before we open up
14	to the floor, I do have additional MARC staff here that will be
15	assisting with answering your questions. So if you could
16	introduce yourself. You need to move closer to the mic to make
17	it record you.
18	MR. ALBRIGHT: Patrick Albright, Office of
19	Engineering.
20	MR. SPRINGSTON: Rex Springston. I'm MARC's Chief
21	Mechanical Officer.
22	MR. ALRBIGHT: These are our consultants, Balajirao
23	and Erich, and Charlie is with the Safety group.
24	MS. TARLETON: So we're open for
25	MR. ALRBIGHT: Do you want Charlie to present to
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the group?

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- 2 MS. TARELTON: I thought David did his spiel for him.
- 3 MR. ALBRIGHT: Okay.
- 4 MS. TARLETON: Is that correct?
- 5 MR. ALBRIGHT: Yeah.
- 6 MS. TARLETON: So I didn't want to do it twice.
- 7 MR. ALBRIGHT: All right.
- 8 MS. TARLETON: Okay. Yes, sir?

Can you make sure that when you ask the questions, you have to speak into the mic. It doesn't project, it just does the recording here. So please state the question clearly, your name and your firm that you are with.

MR. KAIDY: Mark Kaidy, Faiveley Transport. Thank you for your DBE discussion. I do have a question on that since we're so close to it. If you've got two bidders and they've got nine percent and one of them says well, we'll give 11 percent, is there any extra consideration given to the 11 percent? Are you weighing it that way with the --

MS. CULLINGS: -- No. Well, actually, bear in mind, the Procurement office is evaluating your solicitation for the technical aspects to determine the low responsible responsive bidder. That means all of the documents came in. It doesn't matter what's written on them at that moment. You have complied with everything asked for. Then they turn over to me the DBE packages of all of the bidders or the first three, five,

	MTA PRE-BID MEETING - CONTRACT NO. T-8000-0399 19
1	whatever number are deemed to be in the ranking order of low
2	responsible responsive.
3	When I receive it, I'm looking to make sure that the
4	calculations are nine percent for all of the players that are
5	there. If you do more, you're still going to be in the same
6	rank that the Procurement office put you in. What I do is not
7	going to up the ante for them.
8	MR. KAIDY: Okay.
9	MS. CULLINGS: So we appreciate anything you do over,
10	but it has no bearing on the award for the Procurement side.
11	Where it bears is that if you fail to do what you're supposed to
12	do, we will recommend, low or not, go to the next bidder because
13	they're not in compliance.
14	MR. KAIDY: Okay.
15	MS. TARLETON: Any other questions at this point?
16	MR. CALVELLO: Will you issue an addendum on
17	THE REPORTER: Your name?
18	MR. CALVELLO: I'm sorry. John Calvello, Kawasaki
19	Rail Car. You said there will be an addendum on the DBE
20	requirement because the RQ actually states 13 percent within and
21	then nine percent in parentheses.
22	MS. TARLETON: Yes.
23	MR. CALVELLO: So that we know that it's specifically
24	nine percent.
25	MS. TARLETON: Yes, we will do that.
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	MTA PRE-BID MEETING - CONTRACT NO. T-8000-0399 20
1	Any other questions at this time?
2	MR. BULPITT: I'm Justin Bulpitt. In one of the
3	technical specifications for the (inaudible at time 30:00), it
4	says that there is (inaudible from time 30:01 to 30:11).
5	MR. ALBRIGHT: Yes, we are.
6	MS. TARLETON: You're converting over?
7	MR. ALBRIGHT: We have specified the (unintelligible)
8	unit.
9	MS. TARLETON: Okay. So we'll also make that change
10	in the addendum as well.
11	MR. KOMM: (Inaudible from 30:29 to 30:53)
12	MR. ALBRIGHT: You need to submit that request to
13	procurement in writing and then that will be part of our
14	technical evaluation to see if we are going to grant some leeway
15	on that.
16	MS. TARLETON: No other questions? Okay. I guess
17	we'll get started with the site visit so that you can see the
18	three different types of cars.
19	Okay you have one more question?
20	UNIDENTIFIED SPEAKER: (Inaudible from time 31:40 to
21	31:48)
22	MR. ALBRIGHT: If you I guess, the (unintelligible)
23	can be provided. If you request them we can make them
24	available.
25	UNIDENTIFIED SPEAKER: Okay. Thank you.
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	WITATRE-BID MEETING - CONTRACT NO. 1-0000-0377
1	MS. TARLETON: Okay. So if we don't have any more
2	questions, again, I just want to remind you that any that
3	anything that we've discussed here today will be put in writing
1	and we will post it as an addendum so that everyone will have
5	access to that and everyone who is here will also get a copy by
5	mail. Okay?
7	Again, I want to emphasize that any and the need to
3	submit questions or inquiries are established by the deadline by

MR. ALBRIGHT: All right. Within the shop, we have one of our Kawasaki cars. This is a VRE Conversion Car and Trailer. I think the best -- of course, these tracks are all locked and secured. We'll have safety glasses for everybody.

May 13<sup>th</sup>, 2013 by 4 p.m. Okay, and then, we will also address

those written questions as -- and post it as an addendum and

post it to the website and eMaryland Marketplace as well.

Just make sure you wear your safety glasses.

I think the best thing to do is we'll enter the cars from this side, we'll walk through the car, look at anything within the car and around the car. Once everybody has looked at the car inside the shop here, we'll reconvene down by the door and then we'll walk out to the two-track lay outside where we can look at the rest of the cars. All right. Anybody need safety glasses, follow me outside.

(The Pre-bid meeting concluded at 9:33 a.m.)

(There was a site visit immediately following the meeting)

## CERTIFICATE OF TRANSCRIBER

I, hereby, certify that the Maryland Department of Transportation, Maryland Transit Administration Pre-Proposal Conference for Contract No. MTA-T-8000-0399 held at 2700 Eastern Boulevard, Middle River, Maryland on April 17, 2013 was recorded by means of electronic sound recording.

I further certify that, to the best of my knowledge, that the foregoing pages represent a complete and accurate transcript of the electronic sound recording of the conference as transcribed by me.

I further certify that I am neither an employee of MTA or relative to any party, herein, and that I have no interest in the outcome of this solicitation and subsequent award.

In witness whereof, I have affixed my signature this 1st day of May 2013.

By:

Gervel A. Watts
Transcriber